



Statement for the Record
of the
NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION

Committee on Small Business

U.S. House of Representatives

For the hearing

The Role of Green Technologies in Spurring Economic Growth

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NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION

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Introduction

Madam Chair, Ranking Member Chabot, Members of Small Business Committee, thank you for the opportunity to appear before you today. It is an honor and privilege to appear before the committee that has tremendous impact on my business, my community, and the thousands of electrical contractors who also operate as small businesses.

In addition to speaking from the perspective of a small business owner on the role of green technologies in spurring economic growth, I am also here representing the National Electrical Contractors Association (NECA), an association of which my company is a member.

NECA is the nationally recognized voice of the \$130 billion electrical contracting industry, responsible for bringing power and communications systems to communities, buildings and homes. In all, NECA represents more than 80,000 US businesses and employs more than 750,000 workers in every state.

I am Randy Rema, the owner and President of Reese Electric in North Bend, Oregon. Reese Electric began as a two person electrical contracting business back in 1946. Since I took over 4 years ago, my company has grown to 61 employees and has been recognized by the Chamber of Commerce as the "Business of the Year" and was ranked 1st in the small business category for Construction Safety Excellence.

The Changing Electrical Contracting Industry

By definition, "green building" represents a movement to reduce the adverse social, economic, and environmental effects that existing buildings cause and reduce the impact of new building construction. The ultimate goal of green building is to transform the design and construction of buildings to be environmentally responsible, profitable, and healthy places to live and work.

The focus of my testimony will be how "green building" produces jobs and provides economic stimulus.

How is NECA addressing Green Building?

In response to the growing green technologies movement, NECA has incorporated green technologies in its training and certification programs, spending \$100 million per annum on its National Joint Apprenticeship and Training Committee, a program run in conjunction with the IBEW. NJATC has implemented green training programs to ensure that new electricians, as well as the industry's seasoned journeymen, have the skill sets necessary to operate in the increasingly green economy.

And it's a good thing NECA has invested in this training as a recent study from the Political Economy Research Institute projected that the electrical contracting industry would be the single largest producer of jobs in the specialty contractor trade and would be one of the top 5 producers of jobs in a green economy. The reasons for such strong projections for green job growth for skilled electricians include, but are not limited to:

- retrofitting buildings with green technologies,
- developing more energy-efficient mass transit systems,
- installing smart meters, which help consumers reduce transmission load on the grid, and
- creating, installing, and maintaining, clean, efficient, and self-sufficient energy systems for residential facilities and commercial buildings.

Clearly, the role of the electrical contractor expands as the green economy grows. The electrical contracting industry is well positioned to promote, expand, and create an industry marketplace where they are not only the installers of energy efficient electrical systems for our homes and businesses, but to be the providers of the energy generation systems that would make our homes and buildings self-sufficient.

How is Green Building impacting Reese Electric?

I have experienced first hand the economic, business, and environmental benefits of an industry transformation that has trended towards clean energy technologies and green job growth through business development.

This year we have contracts worth \$2 million for solar panel installations, which represents almost 25% of our total business. For 2009, I can project an additional \$2 million worth of opportunities for those seeking building retrofit and other investment in green energy technologies. For my small business, this amounts to the employment of at least 8 new electricians, plus support staff, with the possibility of even greater employment opportunities at competitive wages.

Just last year, I put my belief in green technologies to the test and invested in my company's infrastructure and retrofitted our roofing system with a \$212,000 solar panel unit. I had projected a 20 year payback on the system but with increasing energy costs and the potential to sell off extra power through potential utility buyback programs, I believe my investment will exceed my earlier predictions and my company will realize an accelerated payback.

Extend renewable energy tax incentives

Federal tax incentives have helped to offset the substantial capital investment in renewable energy technologies. I understand that unless Congress acts, many of

these incentives will expire at the end of this year. These incentives have allowed my company to improve the energy efficiency of my facility, hire new workers, and to support other local businesses, including several Portland-area solar panel manufacturers, which have brought over a billion dollars in investments to our state and added thousands of new living wage jobs.

Green opportunities for electrical contractors will contract if the renewable energy tax incentives, such as the commercial building tax deduction, are not extended. If there is an action item I might leave you with it would be that you please ask your Senate colleagues to support H.R. 6049 so that these renewable energy incentives are extended.

The Future is Green

In conclusion, green technologies provide the tools to build a better country and our small businesses are laying the foundation for a better tomorrow. These technologies are working to transform our nation's infrastructure and expand green jobs industries. Only by harnessing the power of these technologies and the potential job growth they bring, are we able to both expand and grow our economy.

Indeed, the future is green and for my business, that means gold.

Thank you for the opportunity to be here today, not only representing my company Reese Electric, but also NECA, our industry trade association.